



HOMES
OUT WEST

ANNUAL REPORT 2017-2018

Making a difference



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Mission:

To grow as a trusted provider of safe, secure and sustainable living solutions

Vision:

To enhance and support peoples lives

Values:

- Respect – We are people focused and respect the diversity, equality and rights of people we come in contact with
- Community – We work as part of the community on common issues
- Professionalism – Our work and interactions are based on respect, integrity, transparency and accountability
- Quality – We strive for quality and equity in our work, our houses and people's lives
- Wellbeing – We strive for long term health, safety and wellbeing of people we come in contact with

Strategic Goals:

- Enhance reputation as a provider of choice
- Increase property portfolio
- Increase number of people supported
- Foster a culture of cohesion and collaboration



We acknowledge that we live on Aboriginal and Torres Strait Islander people's country

CHAIRPERSON'S REPORT



On behalf of the Board of Directors, we present to you the Homes Out West Annual Report.

Once again Homes Out West has seen a year of significant achievement and positive change.

Since our last Annual Report, we sadly farewell director Garry Baker due to health reasons. On behalf of the Board I'd like to acknowledge and thank Garry for his commitment and contribution to the organisation over 5 years during a time of significant challenges.

We also welcomed Stuart Davidson to the Board in May 2018. Stuart, based in Albury, brings a wealth of experience in both Government and community organisations, including in the Victorian justice system and consumer and tenancy advice area.

The Board and organisation's focus for much of the year has continued to be on strengthening its foundations; getting the basics right to enable us to deliver quality services to our clients, our partners, and our communities.

I commend the efforts of management and staff in the significant progress towards this, reviewing and improving many of the policies and practices of Homes Out West. There is

much more work to do; however, I believe we are well progressed towards this goal which is reflected in new opportunities to expand our services to more people, and to deliver better services, by working with our partners.

Close relationships with those partners are essential to delivering the service we strive for, and I would like to thank all those partners for their continued contributions to achieving our mutual goals.

There are many challenges in the coming years for Homes Out West and the sector generally, but also significant opportunity. With the Board investing considerable effort to re-focus on strategy and the opportunities ahead, we believe that Homes Out West continues to have a very positive future and hope that this has a positive effect on peoples' lives.

On behalf of the Board I thank all staff and directors for their ongoing commitment to the success of the organisation for the benefit of the people we serve.

- Matthew Watts, Chairperson

CEO REPORT



The year has seen a number of main themes that have combined to deliver improvements in tenant outcomes and organisational performance.

Partnerships

We have worked hard to re-establish partnerships with existing support providers while seeking and establishing relationships with new partners. We continued to work closely with our partners in the Southern Murrumbidgee Homelessness Action Alliance. Most notably we reviewed sections of our Memorandum of Understanding to facilitate easier access to coordinated transitional accommodation and support.

We also continued to develop our strong partnership with Amelie Housing which will see Homes Out West managing an additional

38 units (in addition to the existing 19 units) in Albury in a much needed boost to social housing stock. This partnership is a strong example of two organisations with compatible values working together to deliver safe, secure and affordable housing.

Consolidation

We continued to develop our knowledge of our relatively new integrated management software which has provided increased analysis of our performance in a number of areas that all contribute to the delivery of

services. We have also continued working through a complete review and update of all organisational policies and procedures to ensure we meet our legislative, contractual and ethical responsibilities.

Development

We were thrilled to be involved in the long-overdue redevelopment of a large number of properties in Balranald in partnership with the Aboriginal Housing Office and Balranald Local Aboriginal Lands Council. We have worked at delivering on the organisation's strategic directions through the implementation of an ambitious operational plan that included input from tenants via last year's Tenant Satisfaction Survey and tenant forums, all staff through regular consultation and discussion and external stakeholders including the Registrar of Community Housing. This has included a review of a number of key strategies including our Tenant Engagement Strategy, Communication and Marketing Strategy,

Strategic Asset Management Plan and all policies and procedures as previously noted.

We look forward to the challenges and opportunities of the next few years as we redirect our focus to further development opportunities and improved service delivery. Some key projects are in the early stages which include development of the organisation's cultural competence in order to more appropriately meet the needs of our large proportion of Aboriginal tenants, management of the Amelie Housing project, improved tenant engagement and increased liaison and engagement with a range of support providers in our communities.

I want to thank the executive management members and all staff at Homes Out West for their continued dedication to and support of the organisation and all members of the Board for their ongoing support throughout the year.

- Cliff Jones, Chief Executive Officer

BOARD PROFILES

Matthew Watts – Chairperson

Matthew is currently the Corporate Services Manager of Purtil's Deniliquin with experience and skills in corporate governance, risk management and management of various corporate support functions. He has extensive prior experience in the Information Technology field. Matthew holds a Graduate Diploma of Applied Corporate Governance and is a graduate member of the Australian Institute of Company Directors.

Tony Brandt – Finance Sub-Committee Chair

Tony is a practising lawyer in both New South Wales and Victoria. He is also a practising Notary Public. Tony has over 50 years experience in the legal profession, has been the managing partner of the largest law firm in the region and has run his own practice for the last 16 years. Tony was Chairman of the Board at Wodonga TAFE for 15 years – leaving in 2014. He is a results driven and highly successful professional. Tony possesses excellent communication and interpersonal skills and prides himself on his consistent involvement with the regional community. Tony demonstrates excellent knowledge of education and training provision, with a comprehensive understanding and commitment to the regional issues facing our communities.

Jennifer Townsend - Corporate Sub-Committee Chair

Jennifer is a qualified social worker who has 20 years experience working in human services, including in the area of mental health, correctional services, community housing and homelessness. Jennifer worked for more than five years at Homes Out West as a housing officer, client services manager and temporarily in the Chief Executive Officer role. She continues to work in the community housing and homelessness sector as a consultant, contract trainer and project manager, and also undertakes work for a local Aboriginal organisation. Jennifer was the former chairperson of a domestic violence action group and the former chair of a local reconciliation group.

Brian Hill

Brian has recently retired from employment with Vinnies Services Deniliquin and was also employed with the Greater Southern Area Health Service. Brian's past employment has given him a strong understanding of Community Housing and the importance it plays in the prevention of long-term homelessness and housing equity for low income earners. He spent eight years as a Berrigan Shire Councillor, including four years at the Deputy Mayor. Brian is passionate about the south west Riverina region and carries strong relationships with a diverse range of community members, businesses and organisations.

Dean Harris

Dean has experience in change management, staff training and development, and banking experience in both retail and small business. Dean is an active member of the local community supporting various not-for-profit organisations. Dean holds a Bachelor's Degree in International Relations and a Graduate Diploma of Education.

Marg Bull

Marg has recently retired from a career in the education sector spanning more than 40 years and is an Edward River councillor. Her passion has been the provision of opportunities for rural students across the southern Riverina region. She is also a director of her family farming business with interests in the Conargo and Deniliquin areas. With extensive experience working with community organisations, Marg brings a wealth of experience and strong links to the Homes Out West Board.

Stuart Davidson

Joining the Homes Out West Board in 2018, Stuart recently retired from the General Manager's role with the Department of Justice and Regulation (Hume Region). Prior to his work with the Victorian Government, Stuart managed the Consumer and Tenancy Advice Service. He has extensive experience in governance of community organisations and has strong interpersonal skills which have been utilised in community and stakeholder engagement. He has worked with Aboriginal and migrant communities, and brings a wealth of insight and expertise in government grants and funding.

MEETING ATTENDANCE		
Matthew Watts Elected 13/11/2012 Board Meeting 11/11	Jennifer Townsend Elected 17/11/2015 Board Meeting 11/11	Garry Baker Elected 13/11/2012 Resigned 13/10/17 Board Meeting 1/3
Brian Hill Elected 25/11/2016 Board Meeting 8/11	Tony Brandt Elected 25/11/2016 Board Meeting 7/11	Margaret Bull Elected 21/7/2017 Board Meeting 7/11
Dean Harris Elected 21/7/2017 Board Meeting 7/11	Vicki Meyer Elected 10/11/2009 Resigned 11/9/2017 Board Meeting 0/2	Stuart Davidson Elected 27/4/2018 Board Meeting 2/2

HOUSING OUR COMMUNITY

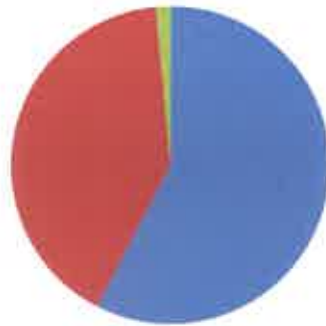
Homes Out West continues to deliver on its mission to grow as a trusted provider of safe, secure and sustainable living options.

From Albury to Wentworth, our service manages properties and tenancies across the vast south western Riverina region. We work together with diverse urban, rural and remote

communities. Our place-based approaches ensure that tenants and communities can expect the highest level of service delivery, wherever they reside.

Cultural Identity

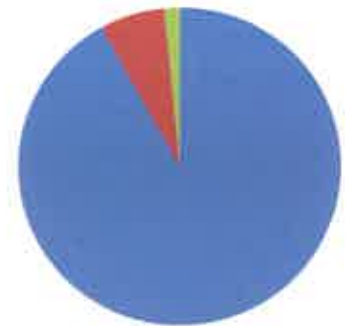
- 75% Non-Aboriginal Australian
- 25% Aboriginal
- <1% Non-English Speaking



Total Residents	901	
Non-Aboriginal Australian	672	75%
Aboriginal	223	25%
Non English Speaking	6	<1%

Income Source

- 93% Centrelink Payments
- 5% Wages/Salaries
- 2% Veterans Affairs



Primary Household Income	
Centrelink Payments	93%
Wages	5%
Veterans Affairs	2%



TENANT AND COMMUNITY ENGAGEMENT

VEGETABLE GARDEN PROJECT

Homes Out West launched its new Tenant Engagement Strategy in June 2018.

With a focus on sustaining tenancies, increasing engagement and building rapport with tenants, the strategy informed the development of an exciting new pilot project at a unit complex in Deniliquin.

With a past legacy of negative behavioural issues, the unit complex was anecdotally regarded as an undesirable place to live.

In addition to introducing a Local Allocation Strategy at the complex, Client Services Officer Aileen Hayes worked alongside AbilityLinks Intereach to develop a vegetable garden project.

This pilot project also received support from Kurrajong Waratah – Yallambee, whose clients created two beautiful raised planter boxes.

Over several months, Aileen and AbilityLinks Intereach met with tenants at the unit complex to develop ideas and timelines for the project.

Planting began in September 2018, with mini cherry tomatoes, spinach, capsicum, zucchini, hot chillies, garlic, parsley, rosemary, mint and basil included in the planter boxes.

A tangible outcome from the pilot project will be tenants maintaining the planter boxes and grow vegetables and herbs. Should it be successful, Homes Out West and Ability Links will use produce from the planter boxes for a special Christmas lunch event for the tenants.

In the long term, Homes Out West anticipates the following outcomes for tenants at the unit complex:

- Development of responsibility in relation to maintaining the gardens
- Access to healthy produce
- Improved mental health through gardening and physical activity
- Improved collaborative relationships between tenants

Homes Out West is grateful for the support of AbilityLinks Intereach and Kurrajong Waratah - Yallambee and looks forward to extending this project in the future.



Tenants at a unit complex in Deniliquin will soon be able to enjoy produce from their own vegetable gardens.



BRICKS & MORTAR

HOW currently manage a portfolio of 423 Social Housing Properties across the region as of June 30 2018.



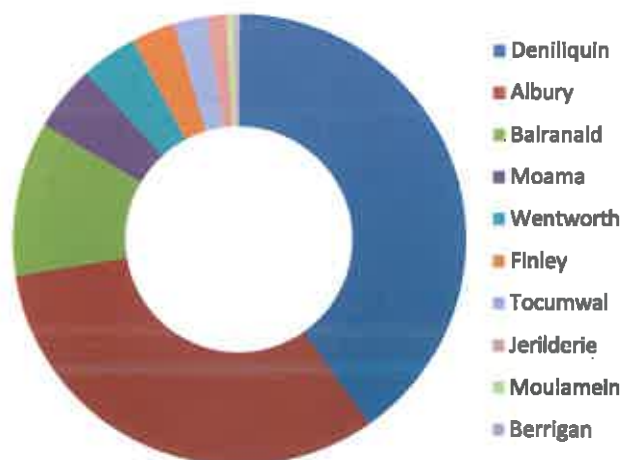
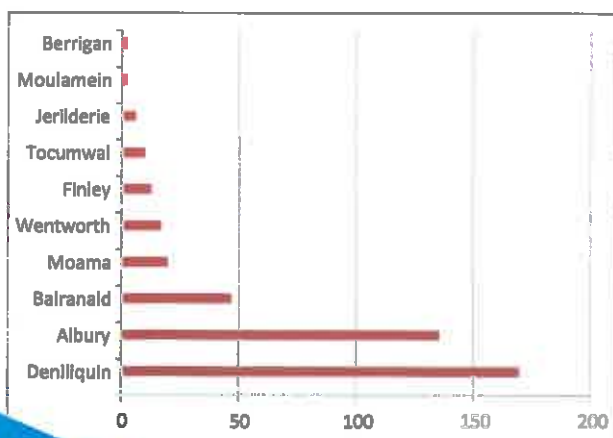
Dwellings are spread across nine different Local Government Areas between Albury in the east and Wentworth in the west. HOW operate a range of different

programs in order to provide safe, secure and sustainable housing to those most in need in the Riverina Murray Region of NSW. The programs include crisis accommodation, leasehold properties, fee for service and capital properties. The analysis and findings of this document focus on the 233 capital properties, being the dwellings which provide our capital base.

Homes Out West has been involved in projects this year that have greatly enhanced aesthetic value and tenant satisfaction. A substantial upgrade at crisis accommodation centres Betty's Place and Broughton House including new kitchens, flooring and painting. This has provided clients with comfortable accommodation during a time of great need.

As at June 30 2018, 96 per cent of our properties were occupied with around 18 per cent of these underutilised.

Sixty two per cent of tenants are currently paying market rent, with the remainder paying less than market rent. The higher percentage of market rent payers is indicative of the lower market rents in our geographic location.



Contractors

HOW currently engage the services of around 37 maintenance contractors across our geographic region. The new contractual period began in 2018 and, with few changes to our contractor base, we have been able to ensure a professional and sustainable maintenance service is provided to our tenants and landlords.

Contractors with appropriate skill and service level are selected for Homes Out West in order to achieve the asset maintenance and customer service goals of the organisation. To make a difference for tenants, local contractors with connections to the community being served are utilised to deliver services wherever possible.

HOW is diligent in the importance of using local trades where possible to ensure maximum financial benefit to the organisation and our tenants, whilst stimulating good economic value within our communities. Between our planned maintenance and responsive maintenance expenditure HOW has injected in excess of \$650,000 worth of work into the local community. Our contractual period is a two year duration, within this time contractors are to adhere and have strong obligation to HOW's policy and procedure, particularly our Code of Conduct and Work, Health and Safety Legislation. Contractors are monitored to ensure they make a difference by performing work to a high standard and treat tenants with diligence and respect.

We pride ourselves on our response times for maintenance and undertake a strong interest in tenant satisfaction. HOW would again like to thank our contractors for their ongoing support and professionalism to the organisation.

Project Involvement

It has been pleasing again this year to assist tenants with modifications to their properties as required with the assistance of funding through HOW and FACS. This funding allows tenants to remain in their homes and sustain successful tenancies, whilst enhancing the amenity on offer.

This funding will see some change in the future with the introduction of the NDIS whilst making it easier for participating tenants to receive the modifications they require. It provides HOW with pleasing results in enhancing people's quality of living.

In Balranald, HOW has successfully reconfigured the ovens and cooktops at Mandorla Place to allow tenants more accessibility in their kitchens.

HOW has continued to maintain a positive management agreement with Balranald Local Aboriginal Lands Council and the Aboriginal



Gloria and Ray have recently moved in to a fully renovated property in Balranald.

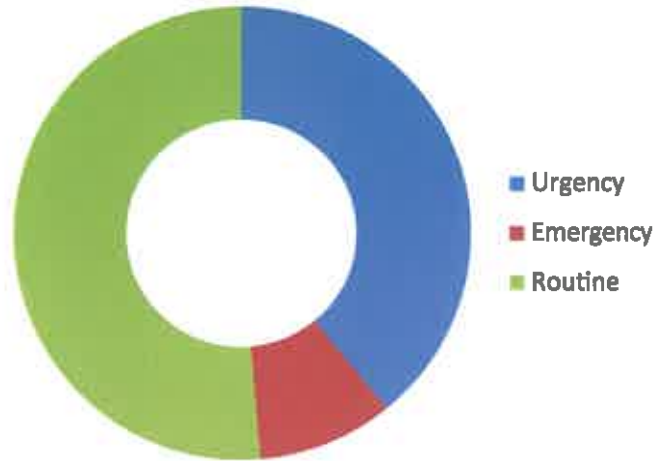


Mandorla Place resident Nicky tries out her new kitchen.

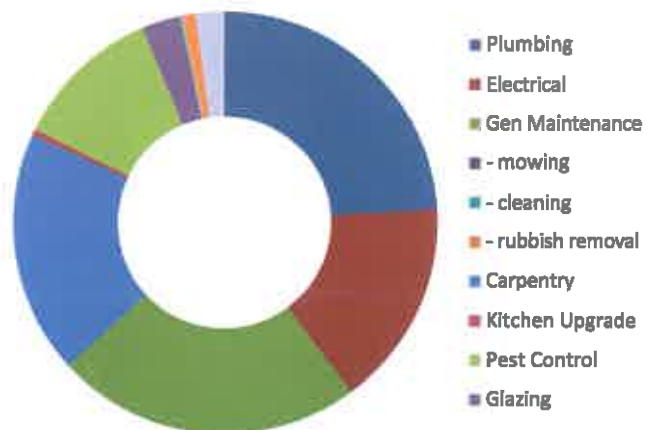
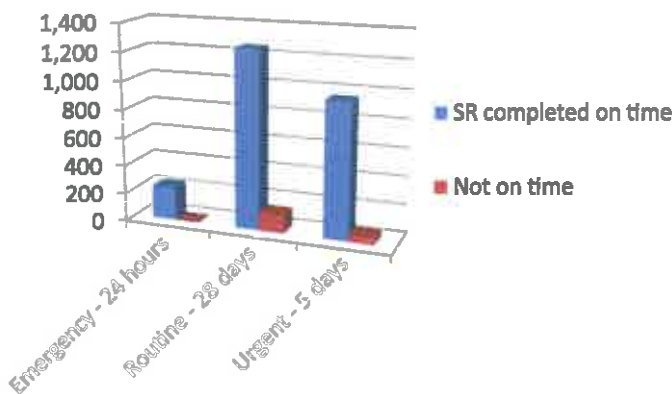
Housing Office, with 24 properties recently involved in a major upgrade. The quality of the works and the focus on sustainability has ensured these tenants will enjoy comfortable housing long in to the future.

Responsive Maintenance

A total of 2447 responsive maintenance work orders were produced in the year to June 30 2018. This included 235 emergency jobs, 955 urgent jobs and 1257 routine jobs. The responsive maintenance program includes a range of quality control processes including inspections, regular work order review with tenants and contractors, tenant survey. The quality control processes undertaken by HOW aim to be inclusive of tenants and tradespeople with the results collected being utilised to ensure continuous improvement in the delivery of HOW's maintenance services.



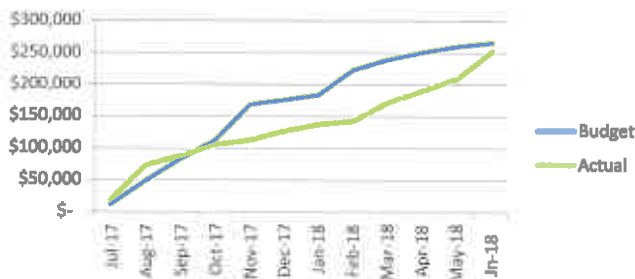
Task	Target
Emergency maintenance	100% completed within timeframe
Urgent Maintenance	95% completed within timeframe
Routine Maintenance	90% completed within timeframe
Maintenance task >\$3000	100% inspected
Maintenance task <\$3000	5% inspected
Work Order Review – Emergency	100% jobs reviewed
Work Order Review – Urgent	90% jobs reviewed
Work Order Review – Routine	50% jobs reviewed
Customer Satisfaction rating in relation to maintenance	80%
Contractor Audit	100% audited annually



Planned Maintenance

A \$255,000 planned maintenance budget has been spent this year on dwellings in our portfolio to ensure tenants are living in safe and sustainable housing in aesthetically pleasing environments whilst fulfilling our agreement with LAHC.

Bathroom and kitchen upgrades along with flooring and painting have been completed within the budget.



This is a significant contribution to the economy in our operational areas. A significant upgrade has been completed at one of our Moama properties. This included re-roofing, retro fitting of external building materials to increase longevity, kitchen replacement, bathroom upgrade, painting, flooring and landscaping.



A Moama property has received a significant upgrade in 2018.

PARTNERSHIPS

Homes Out West works in partnership with a variety of organisations to assist us in being able to respond to the needs of the communities in which we work.

Homeward Alliance

The Homeward Alliance is a collaboration of services including YES Unlimited (Youth and Family Services), Vinnies Services and VERTO. The Alliance provides transitional housing options to people who are homeless or at risk of becoming homeless. Homes Out West undertakes the tenancy management services to the 12 transitional properties in Albury and Deniliquin.

Amelie Housing (Vinnies)

Homes Out West provides tenancy management services to Amelie's 19 units in Albury. These properties meet the needs of single low income earners.

Balranald Local Aboriginal Lands Council

Homes Out West provides tenancy management services to a number of properties in Balranald. This partnership is an important link with the Aboriginal community in the Balranald area.

New South Wales Aboriginal Housing Office

Homes Out West provides tenancy management services to the organisation's Aboriginal Housing properties in Moama, Deniliquin, Moulamein and Balranald.

Housing NSW – Albury Branch

Homes Out West has developed a positive relationship with Housing NSW to ensure we are delivering appropriate services to our clients through the shared use of the Housing Pathways system.

Balranald Shire Council

In partnership with MacKillop Rural Community Services, Homes Out West provides tenancy

management to six independent living units for people with intellectual disabilities in Balranald.

Mallee Family Care

Homes Out West have developed a Memorandum of Understanding with Mallee Family Care in Wentworth and employ the services of a Liaison Officer who assists with the day-to-day management of our tenancies in Dareton and Wentworth. This position also offers access to housing pathways services and assists clients to apply for social housing programs.

Ageing, Disability and Home Care

Homes Out West and Ageing, Disability and Home Care work in partnership to provide long term support for clients with intellectual disabilities in Deniliquin. We also have a partnership with Life Without Barriers and ADHC Disability Housing and Support Initiative, which includes the management of six properties in Albury for clients with intellectual disabilities.

Kurrajong Waratah – Yallambee

Homes Out West provides suitable accommodation for clients with intellectual disabilities in Deniliquin.

Other Partnerships

Albury Community Mental Health Services

Deniliquin Community Mental Health Services

Community Aged Care Services

Family and Community Services

Junction Support Services

Mission Australia

Anglicare Victoria

Personnel Employment

Centacare

CLIENT SERVICES

Based in both Albury and Deniliquin, the Client Services Team is responsible for the provision of best practice tenancy management services for a number of diverse housing programs across the vast South Western Riverina.

The Client Services Officer's role is guided by the goal of continuous improvement in the provision of tenancy services which supports safe, secure, sustainable and long term tenancies.

This year, Homes Out West have once again enlisted the services of the Community Housing Industry Association NSW (CHIA NSW) to conduct an independent, impartial and in-depth tenant satisfaction survey. CHIA NSW is the peak body for mainstream community housing providers in NSW and manages the most comprehensive tenant satisfaction benchmarking service in Australia.

These surveys provide us with a greater insight into opportunities for improvement, as well as to highlight and celebrate what we are doing well. The team is particularly proud of achieving "above benchmark" tenant satisfaction results in the areas of:

- Tenant involvement
- Listening and acting on tenants' views
- Tenants' influence on decision making
- Information provision
- Complaints and appeals knowledge.

The team work closely at all times with our local community services. To achieve the best possible outcomes for our members and tenants, it is our responsibility to:

- Establish and maintain strong working relationships with local service providers.
- Raise awareness of these services at every opportunity.
- Linking and referring members and tenants, during times of need.

In addition to our formal service partners, we take great pride in working collaboratively with:

- Indigenous and non-Indigenous Tenancy Advocacy Groups
- Safety Action Groups
- Mental Health Services
- Financial Counsellors
- Women's Support, Youth and Homelessness Services

The table below illustrates new tenancies during the year:

Allocations	Number
Transfers – HOW	25
Allocations from waiting list HOW*	49
Nominations (by partner/support agencies)	22
Total - New tenancies	96
Supported Tenancies	Number
Supported Tenancies	99
Support Agencies	6
% of all tenancies supported as at 30 June 2016	15%

FINANCIAL STATEMENTS

Homes Out West Profit And Loss Statement

For the Year Ended 30th June 2018

Homes Out West ABN 85 769 215 848	2018 \$	2017 \$
INCOME		
Rents and Other Tenant Income	3,063,843	2,961,650
Government Grants	512,390	560,848
Insurance Recoveries	49,406	4,525
Interest Received	37,641	38,010
Motor Vehicle Contributions	17,694	9,503
Membership Subs	24	34
	<hr/>	<hr/>
	3,680,998	3,574,570
OTHER INCOME		
Bad Debts Recovered	-	3,279
Dividend and Investment Income	2,326	7,917
Management Fees	220,991	244,678
Other Income	-	4,516
Profit on Sale of Fixed Assets	4,738	-
	<hr/>	<hr/>
	228,055	260,390
TOTAL INCOME	<hr/>	<hr/>
	3,909,053	3,834,960

Extract from Full Financials. Statements available on request.

Homes Out West Profit And Loss Statement (continued from page 15)

For the Year Ended 30th June 2018

Homes Out West ABN 85 769 215 848	2018 \$	2017 \$
EXPENSES		
Advertising	12,639	13,874
Admin and Management Charges	17,212	8,100
Amortisation of Software	28,488	20,302
Audit and Accounting Fees	10,040	6,314
Bad Debts	88,608	51,897
Bank Charges	707	746
Board Expenses	14,576	5,180
Collection Costs	9,377	9,313
Computer Software	37,409	33,775
Consultants Fees	7,270	29,037
Depreciation	404,574	421,573
Insurance	85,495	90,274
IT Support	51,872	46,344
Legal Costs	1,934	2,780
Meeting Expense	-	783
Motor Vehicle Expenses	24,151	22,316
Office Expenses	19,238	7,838
Postage	7,013	8,768
Printing and Stationery	9,745	11,037
Professional Fees	-	-
Project Work	-	41,906
Property Costs	1,928,352	2,094,300
Rent - Office	53,730	60,047
Staff Training	22,199	9,971
Subscriptions	9,538	5,009
Sundry	2,619	2,260
Superannuation	86,533	76,346
Telephone	22,478	20,688
Tenant Participation	11,761	13,114
Travelling Expenses	22,552	18,597
Wages	958,171	883,118
Loss on Sale of Fixed Assets	3,891	-
	<u>3,952,172</u>	<u>4,015,607</u>
Loss before income tax	(43,119)	(180,647)

Extract from Full Financials. Statements available on request.

Homes Out West Statement Of Financial Position

For the Year Ended 30th June 2017

Homes Out West ABN 85 769 215 848	2018 \$	2017 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2,401,195	2,024,766
Trade and other receivables	418,203	366,890
Other current assets	11,256	91,165
TOTAL CURRENT ASSETS	2,830,654	2,482,821
NON-CURRENT ASSETS		
Other financial assets	50,310	70,827
Property, plant and equipment	24,981,822	25,163,419
Intangible assets	93,612	122,100
TOTAL NON-CURRENT ASSETS	25,125,744	25,356,346
TOTAL ASSETS	27,956,398	27,839,167
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	735,453	458,327
Provisions	103,058	79,869
TOTAL CURRENT LIABILITIES	838,511	538,196
TOTAL LIABILITIES	838,511	538,196
NET ASSETS (LIABILITIES)	27,117,887	27,300,971
EQUITY		
Retained earnings	27,117,887	27,300,971
TOTAL EQUITY	27,117,887	27,300,971

Extract from Full Financials. Statements available on request.

Homes Out West Statement of Cash Flows

For the Year Ended 30th June 2018

Homes Out West ABN 85 769 215 848	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts for customers	3,321,781	3,116,836
Insurance proceeds	263,956	4,525.00
Payments to suppliers and employers	3,401,760)	(3,549,106)
Dividends received	1,541	7,917
Interest received	37,193	40,177
Grants received	495,813	602,425
Net cash provided by operating activities	718,524	222,774
CASHFLOW FROM (USED IN) INVESTING ACTIVITIES		
Payments for intangible assets	-	(91,319)
Payments for plant and equipment	(74,859)	(81,149)
Payments for Capital Maintenance	(309,963)	-
Proceeds from sale of property, plant and equipment	22,727	-
Proceeds from sale of financial assets	20,000	10,000
Net cash used in investing activities	(342,095)	(162,468)
Net increase/(decrease) in cash	376,429	60,306
Cash at beginning of financial year	2,024,766	1,964,460
Cash at end of financial year	2,401,195	2,024,766

Extract from Full Financials. Statements available on request.

Deniliquin Office (Head Office)

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